

37 public entities to be privatised

By Noorzita Samad

KUALA LUMPUR, Wed. — The Government will privatise 37 public enterprises and projects in the next two years, while 56 others will be restructured or prepared for eventual privatisation.

Of the total number, 23 Government-owned entities (GOEs) will be privatised and 35 restructured this year.

The full list of GOEs to be privatised or restructured is contained in the Privatisation Master Plan (PMP) released by the Economic Planning Unit today.

Among the major companies in the list earmarked to be privatised this year are Tenaga Nasional Bhd, the Klang Port Authority, Malaysia Shipyard Engineering Sdn Bhd and Malaysian Rubber Development Corporation.

Fourteen companies planned for privatisation in 1992 include Perusahaan Otomobil Nasional (Proton) Sdn Bhd, Kedah Cement Sdn Bhd, Perak-Hanjoong Simen Sdn Bhd and Pernas Properties Sdn Bhd.

In the preface to the PMP, Prime Minister Da-

tuk Seri Dr Mahathir Mohamad says the economy would grind to a halt or even go into reverse if the Government kept on injecting money which it did not have to help growth.

"While the Government can, off and on, contribute to economic growth through expansionary budgeting, this cannot be sustained."

Reiterating the Government's commitment to reducing the public sector role in the economy by privatising projects and services, Dr Mahathir says the privatisation programme can lead to the expansion of the capital market and increase private sector contribution to economic growth.

He adds that privatisation had achieved respectability but was still very much misunderstood. The Malaysian public was still apprehensive of the privatisation programme and did not fully understand the Government's views or methods.

Dr Mahathir says it was important for the Government to make public its PMP so that the public could participate as well as understand the approach

adopted by the Government.

"Where before it was up to interested parties to propose the privatisation of Government services and corporations, now the master plan has identified the services and the bodies that are open to privatisation proposals by the private sector."

He adds that this would enable interested parties to study and make offers, which would be considered on the basis of comparative merit.

Only in certain cases would exclusivity be granted, he says. Even then, conditions would be attached to prevent such exclusivity from being misused.

According to the PMP, 37 projects had been privatised, 18 approved for privatisation while another 50 were being studied for privatisation as at Dec 31, 1990.

Since its launch in 1983, the Government had gained about \$1.2 billion from selling assets and equity from the 37 projects privatised so far. The number of public servants had been reduced by 54,000.

□ THE FULL LIST: P15